

UNITED STATES DEPARTMENT OF AGRICULTURE
Risk Management Agency
Spokane Regional Office

PROCESSING BEAN CROP INSURANCE

Processing Bean Crop Provisions 98-046
NCIS 704

FACT SHEET
November 2001

The crop insured will be all **PROCESSING BEANS** in the county for which a premium rate is provided by the actuarial documents; you have a share; that are grown under, and in accordance with the requirements of a *processor contract* executed on or before the acreage reporting date and are not excluded from the processor contract at any time during the crop year.

- The processing beans shall not be interplanted with another crop or planted into an established grass or legume, unless allowed by the Special Provisions of Insurance (SPOI) or written agreement. ***We will not insure*** any acreage of the insured crop that is damaged before the final planting date, to the extent that the majority of the producers in the area would normally not further care for the crop. The crop must be replanted unless the insurance providers agrees that it is not practical to replant. The insurance provider will not insure any acreage that does not meet the rotation requirements, if applicable, contained in the Special Provisions of Insurance.

Counties where Available:

Idaho: Canyon and Franklin counties;

Oregon: Benton, Lane, Linn, Malheur, Marion, Polk, Umatilla, Washington and Yamhill counties;

Washington: Adams, Benton, Franklin, Grant, Klickitat, Walla Walla and Yakima counties.

Important Dates for the above counties:

Sales closing and Cancellation - **March 15**

Acreage Reporting - **Refer to County Actuarial**

Report of Acreage: You must report to your insurance agent all of the acreage which you have a share (your share at the time insurance attaches), reporting the crop by type and practice. You must provide a copy of all processor contracts to the insurance provider on or before the acreage reporting date.

Guarantee Option: Choice of variable percentages of your approved average yield, from 50% up to 75%, in 5% increments.

Catastrophic Coverage: Catastrophic (CAT) coverage is available at the 50% coverage level and 55% of maximum price election. See your crop insurance agent for specific details.

Administrative Fees: *Catastrophic (CAT) Coverage:* \$100 per crop per county. *Additional Coverage:* \$30 per crop per county. Waivers of administrative fees for **all** coverage levels (CAT and additional) are available for small-limited resource farmers.

Late Planting: Late planting provisions are not applicable to counties in Idaho, Oregon, and Washington.

Prevented Planting: Coverage is 40% of your production guarantee for timely planted acreage. If you have limited or additional levels of coverage and pay an additional premium, you may increase your prevented planting coverage specified in the actuarial document.

Causes of Loss: Adverse weather conditions, including: a) Excessive moisture that prevents the harvesting equipment from entering the field or that prevents the timely operation of harvesting equipment; and b) Abnormally hot or cold temperatures that cause an unexpected number of acres over a large producing area to be ready for harvest at the same time, affecting the timely harvest of a large number of such acres or the processing of such production is beyond the capacity of the processor, either of which causes the acreage to be bypassed; Fire; Insects, but not damage due to insufficient or improper application of pest control measures; Plant disease on acreage not planted to processing beans the previous crop year (In certain instances contained in the SPOI or written agreement, acreage planted to processing beans the previous year may be covered. Damage due to insufficient or improper application of disease control measures is not covered.); Wildlife; Earthquake; Volcanic eruption; **or**, Failure of the irrigation water supply, if caused by an insured cause of loss that occurs during the insurance period.

The insurance policy will not insure any loss of production due to: Bypassed acreage because of the breakdown or non-operation of equipment or facilities, or the availability of a crop insurance payment. The insurance provider may deny any indemnity immediately in such circumstance or, if an indemnity has been paid, require the insured to repay it to them with interest at any time acreage was bypassed due to the availability of a crop insurance payment; or the insured's failure to follow the requirements contained in the processor contract.

Insurance Period: Insurance attaches at the time of planting and ends the earliest of: the date the processing beans: **1)** were destroyed; **2)** should have been harvested but were not harvested; **3)** were abandoned; or **4)** were harvested; **5)** the date you harvest sufficient production to fulfill the processor contract if the processor contract stipulates a specific amount of production to be delivered; **6)** final adjustment of a loss; or **7) October 5** for all processing beans in the states of Idaho, Oregon and Washington.

SPECIFIC DEFINITIONS

Processing Bean: Lima, snap, or other bean types identified in the Special Provisions that are grown under a processor contract to be canned or frozen and sold for human consumption.

Processor Contract: A written agreement between the producer and a processor, or between the producer and a broker, containing at a minimum: 1) the producer's commitment to plant and grow processing beans, and to deliver the bean production to the processor or broker; 2) the processor's or broker's commitment to purchase all production stated in the processor contract and 3) a base contract price. Multiple contracts with the same processor that specify amounts of production will be considered as a single processor contract unless the contracts are for different types of processing beans.

DISCLAIMER: This summary is for general illustration purposes only.

DETAILED INFORMATION: Producers should consult a crop insurance agent to obtain specific information and refer to Crop Provisions and Actuarial Materials (e.g., practices, options, planting dates, and appropriate deadlines).

Where to Purchase: All MPC, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available at all USDA Service Centers throughout the United States.

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